Reviving the Economy through Climate Prosperity

Marc A. Weiss

Climate protection and economic growth are not enemies. Core strategies to create a vibrant economy – innovation, efficiency, strategic investment, and finding better ways to use and reuse resources – are exactly the same steps we need to cope with global climate change now. These actions will increase jobs, incomes, productivity, and competitiveness, *and* they're green.

There are commentators who advocate postponing investments in renewable energy and clean technologies, suggesting this will somehow delay economic recovery. They're dead wrong. In the 21st century, the only way for people and places to get richer is by thinking and acting *for* sustainability, specifically aiming to become "greener."

How do we get this message out to the cities and regions of America? How do we encourage them to switch their economic growth, community development, infrastructure, education and workforce, land-use, transportation, housing, and environmental policies to look courageously forward?

Climate Prosperity was launched in 2007. It is coordinated by Global Urban Development and Collaborative Economics, with financial support from the Rockefeller Brothers Fund and the Environmental Defense Fund. We've been joined by a highly diverse public-private partnership of pro-business groups such as the International Economic Development Council, American Chamber of Commerce Executives, Urban Land Institute, Council on Competitiveness, International Downtown Association, and American Council on Renewable Energy.

We hope to get millions of people involved in learning the new 21st century economic paradigm. Technology companies, including Google and Applied Materials, helped launch the Silicon Valley Climate Prosperity Strategy in partnership with elected officials such as San Jose Mayor Chuck Reed.

Among other cities, counties, and metropolitan regions working with us on Climate Prosperity Strategies are San Antonio, Southwest Florida, Denver, Portland, King County/Seattle, St. Louis, Cleveland, Minneapolis-St. Paul, Charlotte, Pittsburgh, and Montgomery County (Maryland). States working with us on Climate Prosperity Strategies include Delaware, Florida, Maryland, and California. In July 2009 the International Economic Development Council will publish the Climate Prosperity Handbook.

The economics driving a shift to new approaches seem compelling. Oil prices have hit huge peaks in the past year as global demand grows exponentially (hindered only temporarily by the current recession). The United States consumes one-quarter of the world's oil and yet possesses just three percent of the world's reserves. The only way to stop the bleeding and staunch the flow of over one-half trillion dollars annually to foreign oil producers is by consuming less petroleum.

Fossil fuels are not the only commodities becoming increasingly expensive. Steel prices, for example, have skyrocketed by nearly 170 percent since 2002. As economic development and population growth accelerate in Asia and throughout the world, serious conflicts are growing as people and places fight over scarce water, land, and many other vital resources. Even the states of Georgia, Alabama, and Florida are battling over fresh water sources due to a severe drought. America, with five percent of the world's population, consumes 25 percent of the world's resources.

The idea of moving from "resource-wasting capitalism" to "resource-saving capitalism" is not new. Business development experts such as Paul Hawken, Amory and Hunter Lovins, Ray Anderson, William McDonough, and Peter Senge have long advocated this approach. The business sustainability model works in three mutually reinforcing ways: 1) Green Savings — cutting resource costs; 2) Green Opportunities — enabling businesses and jobs to grow and thrive; 3) Green Talent — developing globally competitive entrepreneurial and workforce skills, and attracting and retaining talented people.

Numerous corporations, including DuPont, General Electric, IBM, Nike, and Interface, are practicing innovation, efficiency, and conservation to enhance their productivity and competitiveness. DuPont responded to "peak oil" by switching from petrochemicals to life science bio-products, substantially improving their profitability through saving $3 billion and expanding revenues by producing goods that are better for the environment.

Fortunately, we have some success stories in which these business sustainability principles have guided economic development in place-based, area-wide economies. According to the California Green Innovation Index, Californians saved $56 billion on electricity expenses over the past three decades through improved energy efficiency, primarily from state and local government policies requiring higher standards for buildings and electrical appliances and providing financial incentives for utility companies, businesses, and households to conserve energy and use renewable sources. Private consumers reinvested much of this savings in the state's economy, directly contributing to higher economic growth and greater prosperity by generating 1.5 million new full-time jobs with total annual income of $45 billion.

Similarly, people in metropolitan Portland, Oregon save more than $2 billion annually due to the land-use and transportation changes that have occurred during the past three decades. By modestly increasing population and building densities and developing light-rail transit together with mixed-use communities encouraging walking and bicycling, Portlanders have reduced greenhouse gas emissions and vehicle miles traveled while jobs, incomes, and investments have boomed. California and Portland both got richer by becoming greener.

So we *know* how to build more prosperous, green, climate-protecting regions. Now is the time to get serious and spread the message to communities, cities, regions, and states.

(Dr. Marc A. Weiss is Chairman and CEO of Global Urban Development. This newspaper column is nationally syndicated by Citiwire, and was published on October 20, 2008.)